

Message Text

UNCLASSIFIED

PAGE 01 LIMA 07532 112326Z

11

ACTION OPIC-06

INFO OCT-01 ARA-10 ISO-00 EB-07 COME-00 /024 W

----- 067073

R 112225Z SEP 75

FM AMEMBASSY LIMA

TO SECSTATE WAHDC 6775

UNCLAS LIMA 7532

EO 11652: N/A

TAGS: EINV, PE

SUBJECT: POLITICAL RISK CONVERTIBILITY INSURANCE (OPIC)

REF: STATE 191056

1. AMERICAN INVESTORS HAVE EXPERIENCED DELAYS OF FROM TWO WEEKS TO OVER TWELVE MONTHS IN CONVERTING AND REMITTING PROFITS. (THE TWO WEEK DELAY IS AN EXCEPTIONAL CASE AS IT INVOLVES A U.S. FILM DISTRIBUTOR. MOVIES PROVIDE THE ONLY INEXPENSIVE, HIGH QUALITY ENTERTAINMENT IN PERU, AND THE GOP HAS A POLITICAL INTEREST IN KEEPING THE FILM DISTRIBUTORS HAPPY.) IN MOST CASES IT REQUIRED TWO TO FOUR MONTHS TO RECEIVE APPROVAL TO REMIT PROFITS.

2. MOST AMERICAN BUSINESSMEN WITH WHOM WE SPOKE CONSIDERED THE TWO-TO-FOUR MONTH PERIOD SHORT AND LESS THAN THEY HAD ANTICIPATED. WHEN THERE WAS A LONGER DELAY, THEY ATTRIBUTED IT TO THE COMMITTEE FOR FOREIGN INVESTMENT AND TECHNOLOGY, AN AUTONOMOUS BODY WITHIN THE MINISTRY OF ECONOMY AND FINANCE WHICH ACTUALLY GIVES FINAL APPROVAL FOR REMITTANCES. THE COMMITTEE IS UNDERSTAFFED, HAS UNQUALIFIED PERSONNEL, AND HAS PROBLEMS COORDINATING ITS APPROVAL PROCESS WITH OTHER MINISTRIES.

3. IN 1975, PERUVIAN PETROLEUM IMPORTS WILL REQUIRE \$200 MILLION IN FOREIGN EXCHANGE. GOP IS CURRENTLY INVOLVED IN LARGE-SCALE OIL EXPLORATION AND IN THE CONSTRUCTION OF A TRANS-ANDEAN PIPELINE. PERU EXPECTS TO BE SELF-SUFFICIENT IN PETROLEUM BY 1976 OR 1977. WE DO NOT BELIEVE OIL PRICE INCREASES WILL WORSEN THE CON-

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 LIMA 07532 112326Z

VERTIBILITY PROBLEM.

DEAN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN INVESTMENT, INSURANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 11 SEP 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975LIMA07532
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750315-1016
From: LIMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750962/aaaacdcn.tel
Line Count: 62
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OPIC
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 STATE 191056
Review Action: RELEASED, APPROVED
Review Authority: RowellE0
Review Comment: n/a
Review Content Flags:
Review Date: 05 MAR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 MAR 2003 by maustmc>; APPROVED <29 JAN 2004 by RowellE0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: POLITICAL RISK CONVERTIBILITYINSURANCE (OPIC)
TAGS: EINV, PE, US, OPIC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006